

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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MEMORANDUM

TO: Winchester Retirement Board

FROM: Joseph E. Connarton, Executive Director

RE: Approval of Funding Schedule

DATE: September 3, 2015

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on January 1 of each fiscal year. The schedule is effective in FY16 (since the amount under the prior schedule was maintained in FY16) and is acceptable under Chapter 32.

The Board adopted a 7.25% investment return assumption. In addition, the schedule reflects the adoption of a fully generational mortality assumption.

If you have any questions, please contact PERAC's Actuary, Jim Lamenzo, at (617) 666-4446, extension 921.

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Winchester Retirement System
January 1, 2015 Actuarial Valuation

7.25% Investment Return Assumption

Total Cost Increasing 5.5% to FY28 with Final Amortization Payment in FY29

<u>Fiscal</u> <u>Year</u>	<u>Normal</u> <u>Cost</u>	<u>Net</u> <u>3(8)(c)</u>	<u>Amort. of</u> <u>UAL</u>	<u>Total</u> <u>Cost</u>	<u>Unfunded</u> <u>Act. Liab.</u>	<u>Increase in</u> <u>Total Cost</u>
2016	1,727,670	33,000	2,296,648	4,057,318	28,933,408	
2017	1,805,415	33,000	2,442,055	4,280,470	28,651,179	5.50%
2018	1,886,659	33,000	2,596,237	4,515,896	28,197,809	5.50%
2019	1,971,559	33,000	2,759,712	4,764,271	27,551,800	5.50%
2020	2,060,279	33,000	2,933,027	5,026,306	26,689,554	5.50%
2021	2,152,991	33,000	3,116,761	5,302,752	25,585,197	5.50%
2022	2,249,876	33,000	3,311,528	5,594,404	24,210,381	5.50%
2023	2,351,120	33,000	3,517,975	5,902,096	22,534,063	5.50%
2024	2,456,921	33,000	3,736,790	6,226,711	20,522,280	5.50%
2025	2,567,482	33,000	3,968,698	6,569,180	18,137,896	5.50%
2026	2,683,019	33,000	4,214,466	6,930,485	15,340,331	5.50%
2027	2,803,755	33,000	4,474,907	7,311,662	12,085,264	5.50%
2028	2,929,924	33,000	4,750,880	7,713,803	8,324,323	5.50%
2029	3,061,770	33,000	4,144,831	7,239,602	4,004,738	-6.15%
2030	3,199,550	33,000		7,637,780	0	

Appropriation payments assumed to be made January 1 of each fiscal year.

Normal cost assumed to increase 4.5% per year.

Assumed expenses of \$350,000.